United Nations DP/2010/20

Executive Board of the
United Nations Development
Programme and of the
United Nations Population Fund

Distr.: General
16 March 2010

Original: English

Annual session 2010
21 June to 2 July 2010, Geneva
Item 4 of the provisional agenda
Evaluation

Independent review of the UNDP evaluation policy

Executive summary

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10-27371 (E) 220310

I. Introduction

1. The first UNDP evaluation policy was approved by the Executive Board at its 2006 annual session and established a common institutional basis for the function of evaluation in UNDP. The intention of the policy was to, inter alia: increase transparency, coherence and efficiency in generating and using evaluative knowledge for organizational learning, managing for results; and to support accountability. This document responds to Executive Board decision 2006/20 that requested UNDP to provide a review of the implementation of the evaluation policy at the annual session 2009. This review looks at experience and performance since 2006, and makes forward looking recommendations on measures and adaptations required.

2. There are two categories of UNDP evaluations: independent evaluations, conducted by the Evaluation Office; and decentralized evaluations, commissioned by programme units. The Evaluation Office is independent of management, headed by a Director who reports to the UNDP Executive Board through the UNDP Administrator. The responsibility of the Evaluation Office is two-fold: (a) provide the Executive Board with valid and credible information from evaluations for corporate accountability, decision-making and improvement; and (b) enhance the independence, credibility and utility of the evaluation function, and its coherence, harmonization and alignment in support of United Nations reform and national ownership. Programme units – UNDP country offices, regional bureaux, and policy and practice bureaux – are responsible for decentralized evaluations as outlined in their respective evaluation plans. They also ensure evaluations provide adequate information about the overall performance of UNDP support in the given context.

3. The terms of reference for this independent review were drafted and agreed upon in early 2009, and consultants were appointed in March 2009. The process started with a mission to UNDP headquarters the following month, in order to identify demands associated with the evaluation policy and discuss its implementation with key stakeholders within the Evaluation Office and more widely. Key documentation was also reviewed and evidence from an earlier evaluation of UNDP country-level evaluation activities was analysed. An inception report outlining the proposed review methodology and the key instruments for data gathering, was drafted and discussed with an independent advisory panel[1] and the Evaluation Office; adjustments to the approach and methodology were identified. Following this, field visits were made to Vietnam, Egypt and Swaziland, and one regional centre – the sub-regional office for Eastern and Southern Africa in Johannesburg – over a 10 day period in May. A follow-up visit to New York was made in June, in order to validate the findings and attend Executive Board deliberations on the role and use of the evaluation policy. An initial draft of the independent review was completed in August 2009, with the findings and preliminary recommendations provided at an informal presentation at the second regular session of the Executive Board. A decision was made to extend the review period until late 2009, to acknowledge and consider the new Handbook on planning, monitoring and evaluating for development results – a reflection of the importance of this new document on the implementation of the evaluation policy. The independent advisory panel assessed a revised draft report, it was checked for factual accuracy by the Evaluation Office and senior management, and was finalised in December.

4. The independent review covered the questions identified in the terms of reference to varying degrees, choosing to focus on what reviewers considered important, bearing in mind depth of coverage and resources available. However, the reviewers could have identified areas where more work might have been usefully carried out. The original intent to review the impact of the policy in the associated funds and programmes of UNDP was not fully met. The reviewers also acknowledge that the review would have been strengthened by greater attention to the issues of evaluation dissemination, follow up, and knowledge management. Additionally, the web-based survey used by the reviewers was not entirely successful at providing robust evidence from the country and regional levels on the status of the decentralized evaluation system and the utility of decentralized evaluations.

[1] This panel was responsible for assuring the quality of the process and products of the review by providing guidance on the process and approach/methodology applied and the degree to which the terms of reference were addressed.

for management decision making and learning, or the degree to which the policy has affected behaviour and why. These three issues have been covered by evidence gathered from other studies, and the reviewers have little reason to believe that findings and conclusions would be significantly different if the necessary resources were devoted, but acknowledge that this is an assumption.

5. The independent review is divided into three main sections, with three related issues that include:

(a) *Relevance of the evaluation policy*. This is assessed by asking whether the policy sets out the right things to be done, given that the purpose of the policy is to 'establish a common institutional basis for the UNDP evaluation function'.

(b) *Performance of the Evaluation Office in conducting independent evaluations*. Understanding the influence of the evaluation policy on the performance of the Evaluation Office in conducting independent evaluation, examined against: (i) what was specified in the policy; and (ii) practice and experience in other international organizations.

(c) *Performance of decentralized evaluation*. An examination of the influence of the evaluation policy on performance of the decentralized evaluation system.

6. The concluding section identifies major recommendations on measures and adaptations required to enhance the value of evaluation to the organization.

II. The impact of the evaluation policy on the associated funds and programmes

7. The terms of reference of the independent review included an assessment of the implementation of the evaluation policy by the associated funds and programmes of UNDP — the United Nations Development Fund for Women (UNIFEM), the United Nations Capital Development Fund (UNCDF), and the United Nations Volunteers programme (UNV). This requirement was not fully met because of time limitations, and therefore the review focuses on UNDP. It should be noted that the basic approach to evaluation to be found in the associated funds and programmes will be similar to that found in UNDP, since all use the United Nations Evaluation Group (UNEG) norms and standards. Still, there is a significant difference within the evaluation policy on how evaluation is treated between UNDP and associated funds and programmes. The evaluation policy is explicit about the role of the Evaluation Office in conducting independent evaluations and its relationship with the Executive Board. The policy makes no such commitment in terms of the independence of central evaluation offices found within the associated funds and programmes. Discussions with heads of evaluation in UNIFEM and the UNCDF indicated that they have used the evaluation policy primarily as a lever for strengthening their evaluation functions, through increasing staff numbers and budgets. There is no evidence of a comparable effect within UNV, where the major impact of the policy has been to facilitate the introduction of a management response system to evaluation findings. UNIFEM has used the evaluation policy as a broad framework within which to elaborate more detailed perspectives and new tools and methods relevant to gender work, which have then allowed an increase in both the number and scope of its evaluations. Consequently, a strong evaluation unit has emerged in UNIFEM, with an approach distinct from that in UNDP.

III. Relevance of the evaluation policy

8. The policy envisaged a strengthened and independent Evaluation Office within UNDP, primarily responsible for evaluations aimed at supporting corporate level oversight. By contrast, decentralized evaluations, commissioned by programme units, were to be primarily used for management decision-making and learning at the country level.

9. The opinion of respondents during the review showed that, generally, the policy is relevant and adequate. However, staff and some senior management saw the evaluation function emerging from the policy as aspirational, "…describing more-or-less the way things ought to be done by others within

the structure of evaluation, without showing clearly where the changes are expected to occur." This is most evident in the split between independent and decentralized evaluation, where some staff, including those of a senior ranking, continue to reminisce about the past when "...evaluation in UNDP was just one entity".

10. Judged against the relevant UNEG norms and standards agreed upon in 2005, the present policy is relevant, but not entirely comprehensive. Issues where the UNEG norms and standards may need greater detail are: (a) how evaluations are prioritized and planned; and (b) how evaluations are organized, managed and budgeted. Instead, these have been addressed through the UNDP programme and operations policies and procedures, an online platform where corporate 'prescriptive content' was introduced in 2007, and in the Handbook on planning, monitoring and evaluating for development results, introduced in September 2009.

11. Comparing the UNDP policy with the evaluation policies of two other United Nations organizations – specifically, the United Nations Children's Fund (UNICEF) and the International Fund for Agricultural Development (IFAD) – shows little difference in the broad issues addressed by all three. However, some areas of the UNICEF and IFAD policies provide significantly more detail, raising issues of the adequacy of the UNDP policy.

12. The UNICEF evaluation policy outlines its decentralized evaluation system, and what should be in place, in much more detail; these issues have been covered in detail in the UNDP programme and operations policies and procedures and the 2009 Handbook on planning, monitoring and evaluating for development results. There is no need to include them in the policy.

13. The IFAD evaluation policy provides considerable detail on how the operational independence of its Office of Evaluation is established and maintained, and serves as an example of how a United Nations organization can specify institutional safeguards towards evaluation independence. It is also important to note that UNEG norms and standards are not the only standards that can be used to assess the independence of an evaluation office in a multilateral organization. For example, the evaluation coordination group, a comparable group to UNEG focussed on international financial institutions, issued specific guidance aimed at establishing and maintaining the independence of the central evaluation functions in those institutions. This guidance is different in several key aspects from UNEG norms and standards, paying much closer attention to: (a) establishing the role of the Executive Board, or designated committee, in the development and approval of the work programme and budget of the Office of Evaluation; and (b) the human resources rules and procedures that need to be in place to ensure that senior management of the organization, including the equivalent of the Administrator, have no authority over the staff of the evaluation office staff or management. Note also that the 2005 peer review of the UNDP Evaluation Office[2] included a number of recommendations on institutionalizing and safeguarding the independence of the Evaluation Office beyond what is prescribed in UNEG norms and standards; these recommendations are found in the present policy. While acknowledging that the approach to independence by the evaluation coordination group is very much aligned with the governance structure and practice found in international financial institutions (which has significant differences from the practices and structures found in the wider United Nations), the policy is inadequate in specifying the full range of institutional safeguards that even the broader evaluation community would agree, need to be in place to sustain independence.

14. There is mixed evidence of the degree to which the evaluation policy is well known throughout the organization. Results from the survey commissioned as part of this review suggest the policy is well known internally, but other evidence presents a different picture. The survey findings were not confirmed in all interviews with senior management, and several managers and specialists involved in monitoring and evaluation training, stated that most staff still lack a basic understanding of the policy. This dissenting view is somewhat confirmed by the survey results, where a significant proportion of

[2] Ministry of Foreign Affairs of Denmark (2006) Peer Assessment of Evaluation in Multilateral Organizations

respondents thought that the policy was intended as a manual on how to commission and plan evaluation, and monitoring and evaluation, within UNDP. This was clearly never the purpose of the evaluation policy, as these needs should logically have been addressed in the UNDP Handbook on planning, monitoring and evaluating for development results.

IV. Independent evaluation in UNDP – changes relative to the policy

15. Section II of the UNDP evaluation policy states that evaluations will operate under UNEG norms and standards for evaluation in the United Nations system. It also identifies eight themes that need to be addressed: independence; intentionality; transparency; ethics; impartiality; quality; timeliness; and utility. For the purposes of this review, these eight themes were grouped into three categories: independence; the conduct of independent evaluations and their quality; and evaluation use. The degree to which the Evaluation Office and the evaluation policy have allowed UNDP to contribute to the wider United Nations mandates of promoting national ownership and capacity, and enhancing system-wide progress in collaborating on evaluation – identified as responsibilities of the Evaluation Office – are considered separately.

Independence

16. The main conclusion from the evidence is that the Evaluation Office shows the behaviours that one should expect of an evaluation unit that is independent. The review found little evidence of senior management actively seeking to undermine the independence of the Evaluation Office. This independence reflects the efforts of the Director of the Evaluation Office and reliance upon the active support – and forbearance – of the Administrator. This confirms the findings from the 2005 peer review of the UNDP Evaluation Office.

17. There is less evidence that institutional safeguards are in place to sustain this independence. While in line with UNEG norms and standards, the policy assigns responsibility to the Administrator to maintain the independence of the Evaluation Office, which is a potential conflict of interest. The Executive Board is also charged with ensuring the independence of the Evaluation Office, but how the Board achieves this is not detailed, nor is there evidence that processes are in place that would allow continued oversight in this area notwithstanding periodic reviews, such as this one.

18. In particular, the head of an 'independent' evaluation function should have the final say in human resources and budget issues, to guard against the danger of senior programme managers using such processes to adversely influence the independence and level of discretion of the head of the Evaluation Office. This independence should be subject to the use and transparent application of human resources and financial systems and procedures of the organization, as independence should not mean a lack of accountability by the head of the Evaluation Office.

19. The current policy does not give the Director of the Evaluation Office a final say in human resources and financial matters. In at least one instance, senior management overruled the selection of a new staff member made by the Director of the Evaluation Office, indicating a potential for undue influence by programme management. As such, independence has not been 'institutionalised' within UNDP – a key threat to the longer term sustainability of independence. This conclusion would probably be the same if the recent UNICEF evaluation policy were reviewed. By contrast, the IFAD policy deals with many of these issues in detail, including a commitment by the IFAD President to delegate human resources authority to the head of the IFAD evaluation unit. The IFAD evaluation policy shows that the institutionalization of independence can be addressed and therefore, moves closer to what would be considered good practice by the wider evaluation community, and what is already found in IFAD and multilateral development banks.

Quality and conduct of independent evaluations

20. Interviews revealed no evidence that the increase in budget was deliberately restricted to impact the independence of the Evaluation Office or influence its effectiveness. It is worth noting that the present approach to setting the budget has still not adequately addressed the conclusion of the 2005 peer review of the UNDP Evaluation Office in terms of ensuring clear links between the planning and budgeting of the evaluation programme, and ensuring that the Executive Board has the opportunity and required information to take an informed position on the adequacy of the Evaluation Office budget. The peer review also commented on the fact that, while it is difficult to compare budgets directly between organizations, budgets for individual Evaluation Office-managed evaluations appear to be on the lower end of the spectrum of what is found more widely. This comment still applies.

21. Areas identified in the UNEG norms and standards as critical to quality have been strengthened, and a number of suggestions made by the peer panel on enhancing quality have been acted upon. The Evaluation Office, and other parts of UNDP, were recognized in the independent review for progress made in the past four years towards increasing the focus on quality in the independent evaluation process, a requirement under paragraph 29(a) of the policy. Having assessed a number of recent evaluations by the Evaluation Office, the overall conclusion of the review is that the quality and credibility of evaluations produced by the Evaluation Office has been maintained and is generally adequate.

22. Notwithstanding the significant progress made in the past few years, a sizeable quality gap remains between what could, and should, be achieved and what is currently being delivered. The binding constraint to enhanced quality of independent evaluation is the 'evaluability' of programmes and projects. All independent evaluations rely upon evidence drawn from the planning, monitoring and decentralized evaluation systems of the organization, to a large extent. Therefore, independent evaluation quality is dependent upon the quality and availability of information from these systems. The importance of decentralized evaluation for independent evaluation is recognised in paragraph 24 of the policy, which states: "The information also provides the basis for strategic and programmatic evaluations conducted by the Evaluation Office as described above". But recent 'assessments of development results' (evaluations of the contribution of country programmes) and corporate-level 'thematic evaluations' consistently identify: (a) the lack of decentralized outcome evaluations (see statistics from the annual reports on evaluation around this issue); (b) the unreliability of the databases on basic portfolio issues; and (c) poor performance reporting. For the Evaluation Office, the most significant factor affecting quality lies outside of its ability to directly resolve it, considering it is of a systemic nature. Decentralized evaluation is an area that the organization has been slow to invest in, and questions remain whether management has placed sufficient priority on it.

23. The review also identifies a potential threat to maintaining quality. The Evaluation Office can be seen as a victim of its own success thanks in part to the rapid increase in budget and evaluations delivered, and increasing demand for evaluation products from the Executive Board. However, responding to this demand has required a change in the way that the Evaluation Office manages evaluations. The use of in-house expertise has evolved to strengthen the focus on quality. Initially, the Evaluation Office created three teams around: (a) programme levels for evaluations at the country level (assessments of development results) and regional and global cooperation frameworks; (b) thematic/strategic evaluations; and (c) methodology. This structure was instrumental in fostering a high level of evaluation activity, while at the same time producing and/or refining methodological instruments for enabling centralized evaluation activities to be guided. More recently, the structure of the Evaluation Office has been changed to allow for its staff members with subject matter and methodological expertise to work on different types of evaluation in their areas of strength. Additionally, the Evaluation Office now uses external quality assurance panels for all of its evaluations, which further enhances quality. Despite these positive developments, the outsourcing of evaluations to independent consultants (and consulting entities) by the Evaluation Office continues to expand, and this process is fraught with many issues, including a scarcity of high-calibre consultants

who know the United Nations system, who understand and are highly skilled in the evolving field of development evaluation, and who are culturally diversified by gender and geography. Therefore, quality is contingent upon the degree to which the Evaluation Office can assemble teams of consultants to meet these demands, and there is evidence that this has been challenging for the Evaluation Office.

Evaluation use

24. Survey responses suggested that the use and relevance of independent evaluation by the Executive Board is good, and reviewers found conclusive evidence that UNDP accountability to the Board has been enhanced considerably. Interviews with Executive Board members confirmed this was possible thanks to the acceptable quality and increased scope of the independent evaluation programme. Evidence from Executive Board decisions also suggests that the significant increase of independent evaluations conducted by the Evaluation Office is directly associated with increased demand for the use of such evaluations to inform decisions, and closer collaboration with the users of the evaluation findings.

25. Management responses and use of independent evaluation findings and recommendations is improving. A review of the evaluation resource centre database[1] suggests that the requirement for management responses for corporate-level evaluations is increasingly complied with, although there is still room for improvement. The Evaluation Office reports that 75 per cent of the 40 independent evaluations completed between January 2006 and November 2009 had a management response entered and tracked in the evaluation resource centre. Systems for monitoring and tracking actual implementation of management undertakings are still evolving and the extent to which evaluation recommendations really influence programme design and re-formulation at the country level is unknown and needs to be addressed. However, various interlocutors at the corporate and country-level indicated to the reviewers that the focus of programme managers remains on ensuring the ticking of boxes and their subsequent colour-coded results under the present evaluation resource centre tracking system, rather than on ensuring that the lessons underpinning the recommendation are acted upon.

26. Evidence is more mixed on whether independent evaluations are found to be useful by partner governments. Country case studies and an assessment of conducting independent assessments of development results suggest that the process involves intense consultations with the county office and partner country representatives. The findings, conclusions and recommendations are also discussed with government representatives and civil society participants. However, as the management response is not shared with partner governments, a gap exists in the flow from recommendations, to management response, to changes in programming, as far as partner government representatives are concerned. This has obvious implications for country ownership of the evaluation products, and how they are used to influence decisions that partner countries endorse, and for which UNDP is eventually accountable to the Executive Board.

27. For the Evaluation Office, enhancing national ownership and capacity, as identified in the evaluation policy, remains a work in progress and should be prioritized in the future. The review also concludes that a nuanced approach should be taken to identifying when national ownership is vital. For corporate evaluations, national ownership may not necessarily be a major objective, but confusion is caused by the fact that these evaluations require significant country level evaluation, partly to compensate for deficiencies in the evidence available from the decentralized evaluation system. However, the reviewers believe that greater investment in building national ownership of the assessment of development results and decentralized evaluations is required. Although this is

[1] The evaluation resource centre is a web-based, publicly accessible database of evaluations maintained by the Evaluation Office. Programme units upload their evaluation plans, terms of reference, reports and management responses directly into the database. In 2008, the database was expanded to include the UNCDF and UNV. UNIFEM will be integrated in early 2010.

acknowledged in the policy, it remains a major implementation issue that must be addressed seriously by the Evaluation Office and programme management.

28. The review notes successful and credible efforts by UNDP to work within UNEG to play a facilitating role in meeting some of the demands for evaluation that are broader than the mandate of UNDP. The evaluation policy correctly anticipates this collaboration and participation of key stakeholders by advocating for the strengthening of professional collaboration under the aegis of UNEG. This should be commended.

V. Decentralized evaluation in UNDP – changes relative to the policy

29. The purpose of decentralized evaluation, as specified in the policy, is to enhance management decision-making and learning. The web-based survey commissioned as part of this review was not successful at robust evidence from the country and regional levels on the degree to which decentralized evaluation is actually being used to meet these two purposes. However, major conclusions of the 2008 evaluation of results-based management in UNDP[4] showed that the culture of results in UNDP remains weak, and there has been a lack of leadership and prioritization by senior management. These conclusions are equally relevant to the decentralized evaluation system and would suggest that the objective, as envisaged in the policy, has not yet been achieved.

Capacity and guidance

30. Progress has been made in terms of putting the needed guidance and capacity in place, but it has been either slow, or limited to certain parts of the organization. Guidance under the programme and operations policies and procedures was issued in 2007, and a new handbook was issued in late 2009. In hindsight, these should have been issued earlier.

31. Evidence from Evaluation Office annual reports suggests a growing professionalization of the monitoring and evaluation function at the country level, with the number of dedicated monitoring and evaluation staff increasing from 38 to 46 between 2007 and 2008[5], and an increased diversity in their monitoring and evaluation support functions. However, these reports also note that, where there is dedicated monitoring and evaluation expertise in an office, such staff have limited opportunity to engage with senior management. Monitoring and evaluation personnel are often hired on 'non-core'-funded short-term contracts, which inhibits the establishment and sustainability of an effective monitoring and evaluation system. In smaller country offices, monitoring and evaluation focal points are dealing with monitoring and evaluation as one of several other tasks.

32. The gap between evaluation policy and evaluation reality is clearly illustrated when looking at the role of the regional bureaux. Regional directors are assigned significant responsibilities for exercising line oversight, ensuring compliance by country offices with mandatory requirements of the evaluation policy, and supporting and guiding country office capacity in evaluation. They also endorse the quality of draft evaluation plans, as outlined in the quality criteria, before submitting them as an annex to a country programme document for consideration by the Executive Board. Additionally, they are responsible for ensuring the quality of evaluation products, including the evaluation terms of reference and reports produced by their respective country offices. While this detailed set of functions are relevant to the overall needs of the organization, the level of expertise to perform these functions and the increasing demands for advisory services and oversight for monitoring and evaluation at the decentralized levels of UNDP, are not in place. An examination of the situation in the regional bureaux revealed that, apart from the Regional Bureau for Africa, the number of relevant staff positions in other bureaux remained constant or even declined after 2006. The review also found that although the Bureau for Crisis Prevention and Recovery has recruited evaluation expertise, other policy bureaux have not.

[4] Evaluation of results-based management in UNDP, December 2007

[5] This still means that most country programme teams do not have a monitoring and evaluation specialist and the distribution of the specialists is not based on an overall assessment of need and opportunity

Funding

33. The challenge of funding evaluation is more pronounced at the level of the decentralized evaluation function. Paragraph 20 of the policy states: "The senior management of country offices, regional bureaux, practice and policy bureaux, and the associated funds and programmes will ensure adequate resources for evaluation". The reviewers questioned whether this policy intent is realistic. For projects, the practice around evaluation resources has been to allocate them from the monitoring and evaluation lines of the project budget, making them subject to negotiation with those funding the projects. There is no central funding available for country programme outcome evaluations, and therefore sourcing and securing financial resources for monitoring and evaluation of these outcomes or programmes poses additional challenges, as there is not one project to which these costs can be directly charged. The most commonly observed financing mechanism has been to draw resources together from relevant projects. The new handbook correctly indentifies the critical need to set aside adequate financial and human resources at the planning stage however, the reviewers feel that this key issue has not been given enough prominence in the handbook.

Compliance

34. A tracking system to allow assessment of compliance with the mandatory requirement for outcome evaluations was put into place in 2006. UNDP should be commended for having such a system; although such systems are common across the international financial institutions, most other United Nations organizations and bilateral donors do not have such systems to track decentralized evaluations. However, the compliance system does depend upon programme units having evaluation plans in place. The reviewers noted that none of the regional bureaux or the main policy bureau had such plans in place during the review period – an indicator of the lack of importance given to decentralized evaluation by most of the bureaux.

35. Between January 2006 and November 2009, only 37 per cent of the 279 planned country programme outcome evaluations were actually completed. Things may be getting better, however, as the reviewers noted that in 2008, nine of the 15 country programmes completing their programme cycle had delivered the mandatory outcome evaluations identified in the original evaluation plan. In terms of the regional and policy bureaux, some outcome evaluations have been commissioned but the reviewers found no evidence to suggest the situation had improved significantly from 2006, when the Evaluation Office found that it could not use a 'meta-evaluation' approach in the regional cooperation framework evaluations because of insufficient outcome evaluations.

36. Many perceive outcome evaluations to be a mandatory requirement imposed by the evaluation policy. Consequently, they are seen by country office staff as "...a burden after time has been spent undertaking other forms of evaluation and reviews". The reviewers saw little evidence of a desire by either the Executive Board or senior management to ensure compliance with this mandatory rule, bearing in mind that the lack of compliance has had adverse effects on the quality of evaluations produced by the Evaluation Office and the ability of UNDP to specify its contribution to country-level partners.

Quality

37. The Evaluation Office conducted a pilot quality assessment of 18 outcome evaluations that were completed in 2007, a response to concerns raised by the Executive Board. At the time, the assessment concluded that 34 per cent of the reports were 'moderately satisfactory' to 'highly satisfactory', while 66 per cent of reports were 'less than satisfactory'. The independent review found no evidence for the present situation to be any better. The introduction of the programme and operations policies and procedures in 2007, and the new handbook in 2009 may have addressed poor quality and coverage to

a degree, but this remains to be tested. The reviewers also acknowledged that the quality of decentralized evaluation is a challenge for all organizations.

Country ownership and United Nations reform

38. Country ownership, corporate performance reporting, and wider United Nations reforms raise issues over the purpose and use of decentralized evaluations at the country level. While the policy recognises these, and therefore remains relevant, the challenge is how programme management can learn to manage them.

39. The 2009 handbook says that, when formulating an outcome statement to be included in a UNDP programme document, managers and staff should specify outcomes at a level where UNDP and its partners (and non-partners, too) can have a reasonable degree of influence. This corresponds to what is commonly known as an organizational or country programme outcome. But a reform by the United Nations Development Group (UNDG) in late 2009, which was part of the United Nations Development Assistance Framework (UNDAF) simplification agenda, moved to one outcome level under the UNDAF results frameworks. As a result, country programme outcomes will cease to be used and UNDAF results frameworks will only include UNDAF outcomes. By implication, an outcome evaluation by individual United Nations organizations will become increasingly irrelevant and the need for joint evaluation of UNDAF outcomes by a government and contributing United Nations organizations will increase. This decision makes good sense from the point of the United Nations and the government as it does not conflict with the UNDP evaluation policy, which calls for more joint evaluations.

40. However, if country programme outcomes cease to be used in the UNDAF process, it raises significant issues about how the decentralized evaluation approach presently used by UNDP is operationalized, because it is focused on evaluating the country programme outcome level. It is beyond the remit of this review to lay out alternative responses to the issue, or the pros and cons, but it is clear that UNDP should urgently consider how it will respond and ensure that the programme and operations, policies and procedures, as well as new handbook, are revised to reflect the response.

41. Recent guidance issued by UNDG to respond to the 2007 triennial comprehensive policy review requested that the resident coordinator, with the support of the United Nations country team, report to national authorities on progress made against results agreed upon in the UNDAF. The impact is that decentralized evaluations will need to be designed to contribute to this report, which is positive as it increases the opportunity for governments to effectively demand results information and, therefore, increases the usefulness of evaluation to partners at the country level. Unfortunately, it also creates issues for individual United Nations organizations and their central evaluation units because evidence from the decentralized evaluation system will be used in the evaluation of corporate level objectives to meet governing body accountability requirements. This is an area in which the Evaluation Office will need to work within UNEG to craft a response.

42. If outcomes are 'shared' between several partners, it implies that they would be jointly evaluated and that a move towards joint evaluation is recognised in the policy. Evaluating contributions from multiple partners working to achieve a single outcome requires strong programme logic in order to show how each will contribute towards a shared outcome and clear 'theory of change'. It also implies that all the partners have operationalized a results-based management approach, based on planning and managing for results at the outcome level. UNDP management should be given credit for assigning greater priority to strengthening the performance measurement system by simplifying and integrating results-based management tools and processes over the past two years. This initiative, known as the enhanced results-based management platform, was implemented in close consultation with the primary users, namely country offices and regional bureaux managers, responsible for managing and overseeing development programmes. The initiative seeks to simplify the planning,

monitoring and evaluation, and reporting cycle for country offices and headquarters units and to integrate important corporate tools for and sources of information on, development, United Nations coordination, and management results into one online platform that can be customized to suit the needs of the user. However, results-based management approaches are still not harmonized across United Nations organizations or even external partners.

43. The approach of the evaluation policy to decentralized evaluations is broad and permissive enough to allow country programmes, and UNDP more widely, to adapt to this changing context at the country level, while also meeting corporate-level needs. The challenge is not with the policy per se, but with the Evaluation Office and senior management maintaining a strategic overview of internal and external initiatives, which impacts how staff in country offices respond to ongoing changes.

VI. Overarching conclusions

44. Seven headline conclusions frame the forward looking recommendations of this review. Those are:

(a) That the evaluation policy was relevant and remains relevant;

(b) There is little need to revise the present policy document, as the correct principles are identified. The challenge lies in policy implementation;

(c) Specifying changes in operational procedures for budget preparation and human resources is required to institutionalise the independence of the Evaluation Office;

(d) Independent evaluation is established in UNDP and has been useful to the Executive Board, although it has not been sufficiently institutionalised in systems and procedures. Furthermore, the challenge is to increase its use by senior management in programming and planning decision-making processes. Addressing systems to institutionalise independence, as flagged in the UNEG norms and standards, will not put in place all of the safeguards considered desirable by many in the evaluation community. This was shown in comparison with practices in international financial institutions and associated recommendations stemming from the 2005 peer review of evaluation in UNDP. Country ownership and its implication for evaluations such as the assessments of development results must also be seriously addressed, along with how UNDP should build evaluation capacity at the country level;

(e) The Evaluation Office has invested in strengthening the quality of its evaluations, but the rapid increase in work volume may put the quality of evaluations at risk. This is not an imminent threat however, the risk should be monitored.

(f) Significant increase in the quality of independent evaluations hinges on strengthening the basic 'evaluability' of UNDP interventions. Senior management should significantly increase the urgency and level of commitment attached to implementation of the approach and commitments made in the new Handbook on planning, monitoring and evaluating for development results.

(g) Decentralized evaluation, as envisaged in the evaluation policy, is not yet established in UNDP. The review finds little evidence of decentralized evaluations contributing significantly to management decision-making and learning, as outlined in the policy. Questions remain as to whether or not UNDP senior leadership has given enough attention to ensuring development of the decentralized evaluation system and building a 'culture of results'. Challenges also remain in terms of increasing the coverage, quality and utility of those products. An even greater challenge will be to ensure that the UNDP approach to decentralized evaluation recognises and adapts to United Nations reform initiatives at the country level, which implies greater government ownership and leadership and means that evaluation at the outcome level will increasingly require joint evaluation by United Nations organizations that contribute to shared UNDAF outcomes.

VII. Recommendations

45. While several of the recommendations contained in this chapter are addressed to the Evaluation Office, many are systemic in nature, requiring action by UNDP senior management with active support from the Executive Board.

Recommendation 1: To senior management and the Executive Board

46. The review found evidence that the most significant challenge lies with the pace and commitment of senior management to drive improvements in the decentralized evaluation system, as envisaged in the evaluation policy. Most of the problems and challenges have been diagnosed and solutions and responses laid out in the new Handbook on planning, monitoring and evaluating for development results.

47. *Recommendation.* UNDP senior management must decide whether decentralized evaluation is of a high enough priority that it is willing to commit the focus and resources needed to implement the approaches envisaged in the new Handbook on planning, monitoring and evaluating for development results. Management should do this by:

(a) Acknowledging the magnitude of the challenge;

(b) Taking a clear lead in ensuring that changes envisaged are implemented as quickly and effectively as possible; and

(c) Revising the UNDP programme and operations policies and procedures where necessary, to ensure alignment between the handbook and policies and procedures;

(d) Defining the means, capacities and timeline required to implement the changes needed to strengthen the decentralized evaluation system, and ensure resources are allocated, implementation is properly monitored and corrective action taken, if needed.

48. This recommendation will require changes in systems and practices across the whole planning and project cycle, with 'evaluation' being integrated into all new initiatives as they are being developed, as well as into staff appraisal systems.

Recommendation 2: To senior management and the Evaluation Office

49. The principles of national ownership, as outlined in the UNDP strategic plan, should be applied to evaluation. Recent initiatives from UNDG that support reform of how the United Nations works at the country level will have significant effects upon the meaning and role of decentralized evaluation in country offices, starting in 2010. The move to one outcome level in UNDAF results frameworks, and the removal of the country programme outcome as a consequence of the UNDAF simplification agenda, will mean outcome evaluations by individual United Nations organizations will grow more irrelevant and increase the need for joint evaluation of UNDAF outcomes by government and contributing United Nations organizations. Recent guidance issued by UNDG, in response to the 2007 triennial comprehensive policy review, requested that the resident coordinator, supported by the United Nations country team, report to national authorities on progress made against results agreed in the UNDAF, will increasingly mean that decentralized evaluations will need to be designed to contribute to this report.

50. *Recommendation.* The senior management of UNDP will need to build on the opportunities to build national leadership and ownership in evaluation. In responding to changes introduced by the UNDG on results reporting and results frameworks used at country level, the senior management of UNDP will need to revise the new Handbook on planning, monitoring and evaluating for development results, the UNDP programme and operations policies and procedures, and other tools and guidelines.

51. These revisions should also recognize an ongoing need for the Evaluation Office to draw upon this data for the assessment of development results and corporate level evaluations, which are still required to meet corporate level accountability and learning objectives. The Evaluation Office should reassess its methodological guidance in the light of these changes, and work within UNEG to craft a common response on how to balance corporate and national-level needs for evaluative evidence.

Recommendation 3: To the Executive Board

52. While the Evaluation Office is separate from the programmatic side of UNDP, its independence is still contingent upon the forbearance of the Administrator. This can be contrasted with the precedent and approach found in the IFAD evaluation policy.

53. *Recommendation.* The Executive Board should amend the evaluation policy to institutionalize the independence of the Evaluation Office. This would include:

(a) *Recruitment of the Director of the Evaluation Office.* In the current policy, the Administrator appoints the Director of the Evaluation Office, in consultation with the Executive Board, and ensures there is no conflict of interest in employment, including limiting the term of appointment to four years, renewable once, and barring re-entry into the organization. Institutionalization of independence would be significantly strengthened if the role of the Executive Board in appointing the Director were strengthened and clearly spelled out in the policy;

(b) *Recruitment of Evaluation Office staff.* As long as standard UNDP human resources practice is followed, the power of the Quarry[6] to overrule decisions made by the Director should be removed;

(c) *Clarifying relationships.* The relationship of the Director of the Evaluation Office to other senior managers within UNDP, and on what basis the Director would participate in strategic planning processes within UNDP, should be clarified;

(d) *Expanding career opportunities for Evaluation Office staff.* The possibilities for Evaluation Office staff to be mainstreamed into core positions in the wider organization, with opportunities to rotate and be promoted in line with standard UNDP procedures, should be strengthened; and

(e) *Budget.* The process for setting the budget of the Evaluation Office is currently described in broad terms within the present policy, whereby the Administrator is responsible for provision of sufficient resources, and the budget is negotiated biannually with the Bureau of Management. The guiding principle should be that the budget is set to adequately fund the work programme agreed upon between the Evaluation Office and the Executive Board. Good practice would be for the budget to be approved by the Executive Board as part of the Evaluation Office workplan approval process.

54. These recommendations must also ensure independence is not abused. This means the Evaluation Office must continue to use the basic human resources and budgeting procedures of UNDP in a totally transparent and predictable manner. Suggestions include: (a) ensuring UNDP staff members, in addition to those representing the Evaluation Office and UNEG, are part of the final interview panel in the recruitment process; and (b) making it explicit that all staff rights (including protection from abuse of authority/harassment, performance disputes, and so forth) are subject to standard UNDP procedures.

Recommendation 4: To the Evaluation Office and senior management

55. The Evaluation Office has successfully established an approach to producing corporate evaluations that are useful to the Executive Board. The next challenge is to ensure that the principle of

[6] Quarry is an oversight committee in the UNDP recruitment process.

country ownership is implemented, where appropriate, in its programme of evaluation. This applies particularly to the assessment of development results.

56. *Recommendation.* The Evaluation Office consider the degree to which the present approach to development and implementation of assessment of development results truly contributes to country ownership. Particular issues that should be considered are: participation of government partners in deciding the scope and focus of the assessment of development results; and consideration of the recommendations of, and management response to, the evaluation.

Recommendation 5: To the Evaluation Office and senior management

57. This review finds some evidence of the Evaluation Office, and UNDP more widely, contributing to building evaluation capacity at the country level. Therefore, UNEG is likely the best forum in which to clarify the role of UNDP, and possibly the role of the United Nations more widely.

58. *Recommendation.* The Evaluation Office should work through UNEG to: (a) clarify the comparative advantage of UNDP in building capacity for evaluation at the country level; and (b) what steps should be taken by the Evaluation Office and the respective country programmes to build upon this comparative advantage.

Recommendation 6: To the Executive Board

59. While the evaluation policy entrusts the Executive Board with ensuring the independence of the evaluation function, periodic reviews such as this appear to be the only tool available for the Executive Board to assess Evaluation Office independence. Further significant implementation of the approach envisaged in the Evaluation Policy depends upon successful implementation of the commitments made in the Handbook on planning, monitoring and evaluating for development results.

60. *Recommendation.* The Executive Board should consider requesting a review to be presented to the Board in 2012 covering:

(a) The degree to which the roles and responsibilities laid out in the 2007 programme and operations policies and procedures, and the handbook have been fully and effectively implemented;

(b) The degree to which adoption of approaches advocated in the handbook have strengthened: (i) results-based management; and (ii) decentralized evaluation at the country level;

(c) The degree to which independence of the Evaluation Office has been institutionalized;

(d) The degree to which the policy has been implemented and has made a positive contribution in the associated funds and programmes of UNDP; and

(e) Whether an effective approach to strengthening country ownership, and capacity building, has been identified and is being implemented.